

1 THE HONORABLE JOHN C. COUGHENOUR
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7 UNITED STATES DISTRICT COURT
8 WESTERN DISTRICT OF WASHINGTON
9 AT SEATTLE

10 C&C OFFSET PRINTING CO. (USA), INC.,

CASE NO. C20-0556-JCC

11 Plaintiff,

ORDER

12 v.

13 LONE PINE PUBLISHING COMPANY,

Defendant,

14 and

15 AMAZON.COM, INC.,

16 Garnishee.

17
18 This matter comes before the Court on Lone Pine Publishing, Inc.'s motion to quash a
19 writ of garnishment (Dkt. No. 4). Having considered the parties' briefing and the relevant record,
20 the Court finds hereby GRANTS the motion for the reasons explained herein.
21

22 **I. BACKGROUND**

23 On October 22, 2014, Plaintiff sued a "Canadian corporation," which Plaintiff called
24 "Lone Pine Publishing Company," in federal court in Oregon. (Dkt. No. 11-1 at 2.) In the suit,
25 Plaintiff alleged that it agreed to print materials for the corporation but that the corporation did
26 not pay Plaintiff after Plaintiff delivered the materials. (*See id.* at 3–5.) The corporation failed to

1 respond to Plaintiff's suit. (See Dkt. No. 11-4 at 18.) Accordingly, the district court entered
 2 default judgment against the corporation in the amount of \$98,808.99. (*Id.* at 21.) On April 25,
 3 2016, Plaintiff registered the judgment in the Western District of Washington. (Dkt. No. 1 at 1.)

4 On August 2, 2019, Plaintiff applied in the Western District of Washington for a writ of
 5 garnishment against Amazon.com, Inc. for debts that Amazon allegedly owed to "Lone Pine
 6 Publishing Company"—the Canadian corporation named in Plaintiff's 2014 lawsuit. *See C&C*
7 Offset Printing Co. (USA), Inc., v. Lone Pine Publishing Co., Case No. C19-0102-RSL, Dkt. No.
 8 1 at 1–2 (W.D. Wash. 2019). The application stated that Plaintiff had obtained a default
 9 judgment against the corporation, that the corporation had not satisfied the judgment, and that
 10 Plaintiff had reason to believe that Amazon was indebted to the corporation. (*See id.*) The court
 11 granted the application and issued a writ against Amazon. *See C&C Offset Printing*, Case No.
 12 C19-0102-RSL, Dkt. Nos. 2–3. Amazon answered the writ by stating that it was holding roughly
 13 \$9,500 that it owed—one would assume—to the corporation. *See C&C Offset Printing*, Case No.
 14 C19-0102-RSL, Dkt. No. 6 at 1. As it turns out, Amazon did not owe anything to a Canadian
 15 corporation called Lone Pine Publishing Company; it owed money to Lone Pine Publishing, Inc.,
 16 a Washington corporation based in Auburn. (*See Dkt. Nos. 5 at 2, 6 at 1–2.*) Unaware of the
 17 confusion, the district court entered a judgment against Amazon, directing Amazon to pay
 18 Plaintiff the \$9,500 it ostensibly held on behalf of "Lone Pine Publishing Company." *See C&C*
 19 *Offset Printing*, Case No. C19-0102-RSL, Dkt. No. 11 at 2.

20 On March 6, 2020, Plaintiff again applied in the Western District of Washington for a
 21 writ of garnishment against Amazon for debts that Amazon allegedly owed to "Lone Pine
 22 Publishing Company." (Dkt. No. 1 at 1.) Like last time, Amazon answered by stating that it was
 23 holding money it ostensibly owed to "Lone Pine Publishing Company." (Dkt. No. 5 at 1.) But
 24 unlike last time, Lone Pine Publishing, Inc. now moves to quash, explaining that Lone Pine
 25 Publishing Company is really Lone Pine Media Productions, Ltd., a Canadian corporation that
 26 does business as Lone Pine Publishing; that Lone Pine Media Productions, Ltd. does not have

1 any contracts with Amazon; and that Amazon has erroneously frozen Lone Pine Publishing,
 2 Inc.'s accounts receivable even though Plaintiff does not have a judgment against Lone Pine
 3 Publishing, Inc. (*See* Dkt. No. 4 at 1–3.) Plaintiff opposes the motion, arguing that although it
 4 has no judgment against Lone Pine Publishing, Inc., it should still be able to garnish money that
 5 Amazon owes to Lone Pine Publishing, Inc. (*See* Dkt. No. 9 at 1.)

6 II. DISCUSSION

7 Federal Rule of Civil Procedure 69 governs the enforcement of a money judgment
 8 registered in the court in which enforcement is sought.¹ *See Labertew v. Langemeier*, 846 F.3d
 9 1028, 1032 (9th Cir. 2017). The rule says that the procedure for executing a money judgment
 10 “must accord with the procedure of the state where the court is located.” Fed. R. Civ. P. 69(a)(1).
 11 Thus, to determine the procedure for executing Plaintiff’s judgment against Lone Pine
 12 Publishing Company, the Court must turn to Washington law. *See Labertew*, 846 F.3d at 1032
 13 (noting that Rule 69 applies to “such supplementary proceedings as garnishment”). Under
 14 Washington law, “a creditor has no greater rights to a fund than his debtor, and if the debtor
 15 cannot recover an alleged debt in an action against a garnishee defendant, his creditor is under
 16 similar disability.” *Yakima Adjustment Service, Inc. v. Durand*, 622 P.2d 408, 411 (Wash. Ct.
 17 App. 1981). In other words, a creditor cannot garnish property that does not belong to the debtor.
 18 *See id.*

19 This common-sense rule precludes Plaintiff from garnishing the money that Amazon
 20 owes to Lone Pine Publishing, Inc. As Plaintiff admits, Plaintiff does not have a judgment
 21 against Lone Pine Publishing, Inc.; Plaintiff has a judgment against Lone Pine Publishing
 22 Company. (*See* Dkt. No. 9 at 4) (acknowledging that “Plaintiff filed suit against Lone Pine
 23 Publishing Company”). Or at least, that is the name Plaintiff used for the company in its

24 ¹ Lone Pine Publishing, Inc. cites Rule 64(a) as relevant to its motion. Rule 64(a) relates to
 25 “secur[ing] satisfaction of a *potential* judgment.” *See* Fed. R. Civ. P. 64(a) (emphasis added).
 26 The rule is not relevant to the enforcement of a judgment that has already been issued. *See*
Labertew v. Langemeier, 846 F.3d 1028, 1033–34 (9th Cir. 2017).

1 complaint. (See Dkt. No. 11-1 at 2.) Lone Pine Publishing Company's real name is Lone Pine
 2 Media Productions, Ltd., and the company does business as Lone Pine Publishing, which may be
 3 why Plaintiff named Lone Pine Publishing "Company" as the defendant in its Oregon lawsuit.²
 4 (See Dkt. Nos. 5 at 2, 14-1 at 2–3). Lone Pine Publishing, a.k.a. Lone Pine Media Productions,
 5 Ltd., does not have any contracts with Amazon, and it does not have any right to the \$11,161.07
 6 that Amazon is currently holding. (See Dkt. Nos. 5 at 2, 6 at 1.) Accordingly, Plaintiff cannot
 7 garnish that \$11,161.07. *See Yakima Adjustment Service*, 622 P.2d at 411.

8 Although Plaintiff acknowledges that Amazon does not owe the \$11,161.07 to the
 9 company against which Plaintiff has a judgment, Plaintiff nevertheless contends that it can
 10 garnish that money for two reasons. First, Plaintiff asserts that Lone Pine Publishing, Inc. is
 11 barred from objecting to the garnishment under the doctrine of claim preclusion. (See Dkt. No. 9
 12 at 2–3.) Second, Plaintiff argues that "Lone Pine Publishing Company [the defendant] and Lone
 13 Pine Publishing, Inc. [whose account was garnished] hold themselves out as being the same
 14 company." (See *id.* at 5–6.) Neither argument has merit.

15 A. **Claim Preclusion**

16 Claim preclusion, or *res judicata*, bars a party from litigating a claim or defense that was
 17 or should have been litigated in a prior proceeding. *See Kuhlman v. Thomas*, 897 P.2d 365, 368
 18

19 ² Plaintiff insists that it sued Lone Pine Publishing Company, not Lone Pine Media Productions,
 20 Ltd. (See Dkt. No. 9 at 3–4.) Plaintiff is correct in that it named Lone Pine Publishing Company
 21 as the defendant in its Oregon lawsuit. But Plaintiff fails to realize that Lone Pine Publishing
 22 Company and Lone Pine Media Productions, Ltd. are one and the same. As Shane Kennedy, the
 23 President of Lone Pine Media Productions, Ltd., explains in a declaration made under penalty of
 24 perjury, Lone Pine Media Productions, Ltd. does business as Lone Pine Publishing. (See Dkt.
 25 No. 5 at 1–2.) Lone Pine Publishing contracted with Plaintiff—a fact confirmed by the
 26 quotations Plaintiff sent to "Lone Pine Publishing" at Lone Pine Publishing's Edmonton office in
 Alberta, Canada. (See *id.* at 1–2; Dkt. No. 11–2 at 2.) Plaintiff subsequently sued Lone Pine
 Publishing under its trade name while adding "Company" to the end of that name. (See Dkt. Nos.
 5 at 2, 11-1 at 2.) Plaintiff then served Mr. Kennedy with a summons that listed him as the
 "President" of "Lone Pine Publishing Company." (Dkt. No. 11-4 at 11.) Given Mr. Kennedy's
 declaration—the same Mr. Kennedy that Plaintiff served—it is perplexing that Plaintiff
 continues to insist that it did not sue Lone Pine Media Productions, Ltd. It did.

1 (Wash. Ct. App. 115).³ For claim preclusion to apply, the prior proceeding must have culminated
 2 in a final judgment on the merits. *See Schoeman v. N.Y. Life Ins. Co.*, 726 P.2d 1, 3 (Wash.
 3 1986). In addition, the prior proceeding must be identical to the current proceeding in four
 4 respects: “(1) subject matter; (2) cause of action; (3) persons and parties; and (4) the quality of
 5 the persons for or against whom the claim is made.” *Id.* In this case, Plaintiff’s prior garnishment
 6 action culminated in a final judgment, but that action is not identical to Plaintiff’s present
 7 garnishment action. Consequently, claim preclusion does not apply.

8 1. Final Judgment on the Merits

9 Plaintiff’s prior garnishment action culminated in a final judgment for the purposes of
 10 claim preclusion. The action ended with the court issuing a judgment against Amazon, the
 11 garnishee defendant, in the sum of \$9,520.62. *C&C Offset Printing*, Case No. C19-0102-RSL,
 12 Dkt. No. 12 at 1. Under Washington law, such judgments are no different than any other: they
 13 can be appealed, and they are “res adjudicata as to all issues there determined.” *Tatum v. Geist*,
 14 82 P. 902, 903 (Wash. 1905); *see also Watkins v. Peterson Enters., Inc.*, 973 P.2d 1037, 1043
 15 (Wash. 1999) (“[G]arnishment is [a] distinct suit involving pleadings and requiring judgment to
 16 which statutes relating to change of venue and appeals apply.”). Consequently, the threshold
 17 requirement for claim preclusion is met. *See Schoeman*, 726 P.2d at 3.

18 2. Subject Matter

19 Although Plaintiff’s prior garnishment action culminated in a final judgment, the action
 20 did not involve the same subject matter as the present action. This very issue was, in fact,

22 ³ Federal common law governs the claim-preclusive effect of an order issued by a federal court.
 23 *See Semtek Int’l Inc. v. Lockheed Martin Corp.*, 531 U.S. 497, 508 (2001). In this case, the
 24 parties assume that federal common law would require the Court to look to Washington law to
 25 determine the claim preclusive effect of the judgment issued in Plaintiff’s first garnishment
 26 action. (*See* Dkt. Nos. 9 at 3, 13 at 2.) The Court need not decide if the parties are correct
 because the result would be the same under either Washington’s claim preclusion rules or the
 federal rules. *See Kuhlman*, 897 P.2d at 368 n.3 (noting that the Washington test and federal test
 are similar and concluding the outcome would be the same under either test).

1 decided already by the Washington Supreme Court in *Tatum v. Geist*, 92 P. 902, 904 (Wash.
 2 1905). In *Tatum*, the court explained that garnishment actions in Washington are a mechanism
 3 through which a creditor may obtain the debt a garnishee defendant owes to a debtor at the time
 4 the writ of garnishment is served. *See id.* at 903. If a creditor wishes to garnish debts from the
 5 garnishee defendant that the garnishee defendant acquires after it discharges the judgment from
 6 the first garnishment action, the creditor must bring a second garnishment action. *See id.* That
 7 second action is independent of the first and relates to a “different subject matter and different
 8 issues”—namely, the debt the garnishee owes to the debtor at the time the second writ is served.
 9 *See id.* Because the two actions involve different subject matter and issues, claim preclusion does
 10 not apply.⁴ *See id.* That result holds true here: Plaintiff’s first action was for the money Amazon
 11 owed to “Lone Pine Publishing Company” as of August 2019, *see C&C Offset Printing*, C19-
 12 0102-RSL, Dkt. No. 1 at 1–2, and the present action is for the money Amazon currently owes to
 13 “Lone Pine Publishing Company,” (*see* Dkt. No. 1 at 1–2).

14 3. Same Persons and Parties

15 Plaintiff’s prior action also involved different parties than the present action. In the
 16 present action, Lone Pine Publishing, Inc. has intervened.⁵ (*See* Dkt. No. 4.) In the prior action,
 17

18 ⁴ *Tatum* explained its holding as follows:

19 [T]he second writ will only have the same operation as the first, viz., to bring within
 20 the jurisdiction of the court indebtedness due from the garnishee to the defendant
 21 or effects in the hands of the garnishee belonging to the defendant at the time of the
 22 service of the second writ, or thereafter until final judgment on the second writ. In
 23 other words, the proceedings under the second writ are to all intents and purposes
 24 independent of the proceedings under the first. There is a different subject matter
 25 and different issues. True, the judgment on the first writ would be res adjudicata as
 26 to all issues there determined, but it would have no other or further effect.

82 P. at 903.

24 ⁵ Lone Pine Publishing, Inc. was not named as a party in Plaintiff’s second application for writ of
 25 garnishment. (*See* Dkt. No. 1 at 1) (naming “Lone Pine Publishing Company” as the debtor).
 26 Consequently, Lone Pine Publishing, Inc. should have filed a motion to intervene under Federal
 Rule of Civil Procedure 24(a). Lone Pine Publishing, Inc. instead filed a motion to quash and a
 notice of appearance. (*See* Dkt. Nos. 4, 7). Given the strange nature of this case, the Court will

1 by contrast, Lone Pine Publishing, Inc. did not intervene and was not named as a party in
 2 Plaintiff's application for a writ of garnishment. *See C&C Offset Printing*, C19-0102-RSL, Dkt.
 3 No. 1 at 1–2. Consequently, Lone Pine Publishing, Inc. was not a party to the prior action. It was,
 4 at most, the action's inadvertent victim.

5 **4. Conclusion**

6 Given that Plaintiff's prior garnishment action involved a different subject matter and
 7 different parties than the present action, claim preclusion does not apply. *See Schoeman*, 726
 8 P.2d at 3. This result makes sense. Plaintiff's argument is, essentially, that because it
 9 successfully garnished \$9,500 from the wrong company in a prior action, it should be able to
 10 garnish from that company the entire judgment that Plaintiff was awarded against a different
 11 company. That argument is wrong.

12 **B. Piercing the Corporate Veil**

13 Charitably construed, Plaintiff's second argument appears to be that the Court should
 14 pierce the corporate veil and hold Lone Pine Publishing, Inc. liable for the corporate debts of
 15 Lone Pine Media Productions, Ltd. (*See* Dkt No. 9 at 6–7.) Plaintiff cites no legal authority to
 16 support its argument, and veil piercing is unwarranted. (*See id.*) Veil piercing is appropriate if (1)
 17 a person or entity intentionally uses the corporate form to violate or evade a duty and (2)
 18 disregarding the corporate form is necessary to prevent an injustice. *See Meisel v. M&N Modern*
 19 *Hydraulic Press Co.*, 645 P.2d 689, 692 (Wash. 1982). “Typically, the injustice which dictates a
 20 piercing of the corporate veil is one involving fraud, misrepresentation, or some form of

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 22 excuse Lone Pine Publishing, Inc.'s understandable error. To erase any doubt, the Court hereby
 23 GRANTS Lone Pine Publishing, Inc. permission to intervene as of right. *See Fed. R. Civ. P.*
 24(a). The Court also notes that Bryan C. Graff and Madeline S. Davis filed a notice of
 25 appearance on behalf of defendant Lone Pine Publishing Company. (*See* Dkt. No. 7 at 1.) This
 26 notice appears to be in error, as those attorneys seem to be representing Lone Pine Publishing,
 Inc., not Lone Pine Publishing Company. (*See* Dkt. No. 4 at 1.) Assuming the Court is correct,
 the Court ORDERS Lone Pine Publishing, Inc.'s attorneys to file a corrected notice of
 appearance clarifying that they represent Lone Pine Publishing, Inc.

1 manipulation of the corporation to the stockholder's benefit and the creditor's detriment."

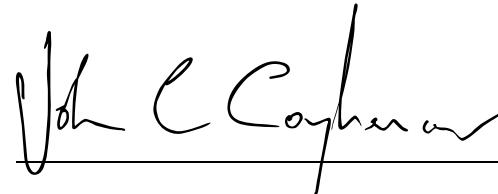
2 *Truckweld Equip. Co. v. Olson*, 618 P.2d 1017, 1021 (Wash. Ct. App. 1980). Here, Plaintiff has
3 neither demonstrated nor even alleged that Lone Pine Publishing, Inc. and Lone Pine Media
4 Productions, Ltd. used their corporate forms to violate or evade their duties; that disregarding
5 their corporate forms is necessary to prevent an unjustified loss; or that fraud or abuse occurred.
6 (See Dkt. No. 9 at 6–7.) At most, Plaintiff has shown that the two companies might be related.
7 (See *id.* at 6.) But the fact remains that the companies are distinct entities, and a mere
8 relationship between two companies does not render one company liable for the debts of the
9 other. See *Anderson v. Section 11, Inc.*, 626 P.2d 1027, 1029–30 (Wash. Ct. App. 1981).

10 **III. CONCLUSION**

11 For the foregoing reasons, the Court GRANTS Lone Pine Publishing, Inc.'s motion to
12 quash a writ of garnishment (Dkt. No. 4). The Court also AWARDS Lone Pine Publishing, Inc.
13 the reasonable attorney fees and costs that it incurred in connection with the motion. See Wash.
14 Rev. Code § 6.27.230 (requiring an award of attorney fees and costs to the prevailing party in a
15 controverted garnishment action). The Court ORDERS Lone Pine Publishing, Inc. to file a
16 motion for attorney fees within 21 days of the date this order is issued. The Court further
17 ORDERS Bryan C. Graff and Madeline S. Davis to file a corrected notice of appearance
18 clarifying that they represent Lone Pine Publishing, Inc. The Court also DIRECTS the Clerk to
19 amend the docket to reflect that Lone Pine Publishing, Inc. is a separate and distinct party from
20 Lone Pine Publishing Company and that Lone Pine Publishing, Inc. has intervened in this action.

21 DATED this 1st day of May 2020.

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John C. Coughenour
UNITED STATES DISTRICT JUDGE